

Universal Service Administrative Co.

Filer 499 ID: 831476
Invoice Number: UBDI0001007943
Statement Date: 10/22/2018
New Balance: \$ 700.00
Payment Due Date: 11/15/2018

Network Connections Inc
Attention: Paul Licari
27322 23 Mile Rd, Suite 4
Chesterfield, MI, 48051

ACCOUNT STATUS

- Notice of Filing Issue(s) – You must respond to outstanding issues on multiple FCC Form 499 filings. Failure to respond could render your filings incomplete and you could be subject to fees.
- For inquiries please call USAC at (888) 641-8722.

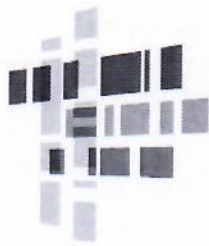
STATEMENT OF ACCOUNT

Date	Description	Charges	Credits
	Previous Balance		\$0.00
10/15/2018	Late Filing Sanction	\$700.00	
TOTAL OUTSTANDING USAC BALANCE AS OF 10/15/2018		\$700.00	

Transactions occurring after 10/15/2018 are not reflected on this statement.

Under the Debt Collection Improvement Act of 1996 (Pub. L. 104-134) (DCIA), your BALANCE DUE is a demand that you pay a DEBT owed to the United States on or before the DUE DATE. Any portion of the DEBT unpaid after the DUE DATE is a DELINQUENT DEBT, which may result in sanctions, including interest, penalties, and administrative charges. Failure to file a Telecommunications Worksheet may result in a late filing fee DEBT added to your BALANCE DUE. Read the reverse of this Invoice for important information about those sanctions and your legal rights and obligations.

Statement Date	Invoice Number	Filer 499 ID	Balance Due USAC
10/22/2018	UBDI0001007943	831476	\$ 700.00
FORM 499Q DATA		PAYMENT INFORMATION	
This month's support mechanism charges were calculated using an FCC contribution factor of 0.201000 and the following revenue data:		All payments received (regardless of specific instructions) will be applied to your outstanding USAC balance in historical order as outlined in FCC order 07-150.	
<u>August 2018 499Q</u>			
120b	\$0.00		
120c	\$0.00		
If the figures do not correspond with your records, please contact USAC Customer Service at 888-641-8722		Go to www.usac.org/pay to make a payment.	



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DETAILED SUMMARY OF CHARGES AND CREDITS

SUPPORT MECHANISM CHARGES

Your monthly support mechanism charges were calculated according to the following formulas:

LIRE Eligibility

If a carrier's quarterly interstate revenue equals less than 12.00% of their combined quarterly interstate and international revenue, the carrier is eligible for the Limited Interstate Revenue Exemption (LIRE). Based on your 499Q data, your interstate revenue equals percent of your combined interstate and international revenue. Therefore, you are eligible for the LIRE exemption. As a result, your international revenue will not be used in determining your quarterly contribution base.

Quarterly Contribution Base

The quarterly contribution base is a portion of your quarterly revenue that USAC considers when determining your quarterly Universal Service Fund contribution. The quarterly contribution base equals your interstate plus international revenue. Your current quarterly contribution base equals:

$$\begin{array}{rcl} \$ 0.00 & + & \\ \hline \text{Interstate Revenue (Line 120B)} & & \text{International Revenue (Line 120C)} \\ & = & \hline \text{Quarterly Contribution Base} \end{array}$$

Adjusted Quarterly Contribution

USAC adjusts carriers' quarterly contribution bases by the amount that they are expected to contribute in that quarter. The calculation for an adjusted contribution amount is as follows, and takes into account the circularity deduction:

$$\begin{array}{rcl} \text{Quarterly Contribution Base} & * & \frac{0.201000}{\text{FCC Contribution Factor}} = \text{Unadjusted Contribution} \\ \text{Unadjusted Contribution} & - & \left(\text{Unadjusted Contribution} * \frac{0.166091}{\text{FCC Circularity Factor}} \right) = \text{Adjusted Contribution} \end{array}$$

De Minimis Eligibility

Carriers whose expected annual contribution is less than \$10,000 are considered de minimis and are exempted from paying into the Universal Service Fund. To be exempt, a carrier must meet the de minimis criteria on both the current 499A and 499Q forms.

You meet the de minimis criteria on neither the 499A or the current 499Q. Therefore, you are not eligible for the de minimis exemption during the current quarter.

Your eligibility was calculated using the contribution factors established by the FCC for determining de minimis status on each form:

499A:

$$\begin{array}{rcl} \text{499A Contribution Base} & * & \frac{0.169000}{\text{FCC Estimated Annual Factor}} = \text{Estimated 499A Contribution} \end{array}$$

499Q:

$$\begin{array}{rcl} \text{Adjusted Contribution} & * & 4 = \text{Estimated 499Q Contribution} \end{array}$$

For more information on the FCC estimated annual factor, please see the Form 499A Instructions. For more information on the current FCC contribution factor, visit the FCC website at www.fcc.gov.

Support Mechanism Charges

Your total monthly contribution is determined by multiplying one-third of your adjusted quarterly contribution base by the current quarter's FCC contribution factor.

$$\begin{array}{rcl} \frac{1}{3} & * & \text{Adjusted Quarterly Contribution} = \text{Total Monthly Contribution} \end{array}$$

